GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:1874
ANSWERED ON:15.12.2003
DUES OF INDIAN AIRLINES
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the complete details of the loss suffered by Indian Airlines due to under-utilization of code share capacity and non-payment of dues by international airlines;

(b) the names of defaulting airlines stating the amount pending against each of them; and

(c) the steps being taken by the Indian Airlines to recover the dues?

Answer

MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDY)

(a), (b) and (c): The code share capacity entitlements do not entail any cost but to the extent utilized, generate additional revenue to Indian Airlines. The extent of utilization of code share capacity depends on traffic demand and operating carrier`s network etc. There also exist bilateral/ business arrangements in other areas between Indian Airlines and international airlines for which invoices are exchanged and settlement is made through IATA clearing house or locally as the case may be on a regular basis. In the course of these transactions, there arise few cases of dues remaining unpaid for some dispute/ clarification/ supporting documents requirement etc. All such cases are reviewed and efforts are made to resolve through mutual discussion either at local representative level or if necessary by taking up the matter at corporate level. The amount of such disputed invoices at any point of time is generally a small proportion to the total volume of transactions and the amount of revenue earned by Indian Airlines from these transactions.